

tion project to completion. This is a matter of record in our 1966-67 program of policy and action, adopted by delegates to our 51st convention last October. The wording in the adopted program is as follows:

Because the Oahe Irrigation Project has been found feasible and would bring great benefit to the economy of South Dakota, we urge immediate action by the Administration and Congress for the authorization and appropriation of funds to initiate this project.

We were especially heartened by announcement earlier this month that the Bureau of the Budget has approved the Department of the Interior's favorable report on the Oahe unit, thus bringing this project one big step nearer to reality.

While we welcomed the Budget Bureau's approval of the first stage of the Oahe project, we were disappointed that they refused to go along with preconstruction costs in the main canal. As originally planned, the pumps and the main canal would have been constructed so as to eventually supply the entire 495,000-acre total project. However, the Budget Bureau report calls for holding capacity in the canal and foundations at pumping stations to take care of only the first stage project to irrigate 190,000 acres.

We do feel that this project has been delayed too long already and are happy that it is finally reaching its present stage. With the aid of this committee, I am confident we can continue it to its conclusion.

It goes without saying that not all of our members will share directly in the benefits of the Oahe project, but indirect benefits will also accrue to farmers outside the irrigable area. In a limited rainfall area such as ours, along with our total dependence on adequate feed supplies to carry our livestock operations, like certainty of water in the area insures plentiful amounts of forage and feed being available to surrounding area farmers and ranchers.

Eventual completion of this project, together with the installation of irrigation systems on many acres of our South Dakota farmland, carries a tremendous potential for improvement in the farm sector of the economy. Farmers Union is very hopeful that the Oahe unit, when completed will provide an answer to our State's diminishing farm population and provide an upward stimulus to a declining farm prosperity.

Our organization for many years has been fighting diligently in an effort to halt the exodus of farmers from the land. This also becomes the immediate problem of our towns and small businessmen because, according to the latest farm census, South Dakota lost 6,000 farms during the 1959-64 period, for an average of 1,200 per year. In a like period, 1958-63, as documented by the 1963 Census of Business by the U.S. Department of Commerce, our State suffered a net loss of 1,101 retail business establishments. This represents a ratio of one business place closing its doors for every six farms that disappeared.

I am sure this committee also recognizes the impact this exodus of farmers from the land has on our Nation's metropolitan areas. I feel that indirectly part of the blame for this summer's unrest in our cities can be placed on the mass migration to the cities over the years of thousands of family farmers displaced because of inadequate farm income.